

# The Binder Twine Steal.

It seldom happens that a greater outrage has been committed with the sanction and assistance of the Government than the combine that forced up the price of binder twine to the farmers to the point of robbery.

In order to make this perfectly clear, it will be necessary to state briefly the actual transactions as they took place in each year since the Liberal party came into power in 1896. But, before doing so, it would be well to state in the outset that a very thorough examination of this matter has been made from time to time by the Public Accounts Committee, before whom all the original invoices showing the cost of the raw material purchased from year to year for the manufacture of binder twine at the Kingston Penitentiary was produced, so that there can be no possible doubt as to the actual cost of the raw material, to which one cent per pound is added in all cases to cover the cost of manufacture, although the Hon. David Mills states that three quarters of a cent per pound is quite sufficient to cover the cost of manufacture.

When the present Government took office in 1896, they found one million pounds of binder twine on hand at the Kingston Penitentiary which had cost including raw material and manufacture, \$4.66 per hundred pounds, and which they sold in September of the same year after the twine season had closed, at less than cost, to Coll Bros., of St. John, N.B., at \$4.25 per hundred pounds.

## COMBINE TO FLEECE THE FARMERS.

In the early part of the year 1897, and in less than two months after the Laurier Government found themselves comfortably seated in office, the combine to fleece the farmers began.

The output of binder twine at the Kingston Penitentiary for the year 1897 amounting to one million pounds, which had cost an average price, including raw material and manufacture of, \$4.43 per hundred pounds, had to be sold, and political friends must get it. One actual tender was put in by the Hobbs Hardware Co. of London, of which Mr. T. S. Hobbs, M.P.P. is the head, and one blind tender unaccompanied by the required deposit was put in by Coll Bros., soap manufacturers of St. John, N.B. This concern were political friends, who had two or three months previously purchased the one million pounds of twine upon which they made a small deposit. The deposit according to their contract had been forfeited by reason of their failure to take delivery and pay for the twine which still remained at the Kingston Penitentiary.

At this stage of the proceedings the Hobbs Hardware Co. and Coll Bros., enter into a partnership for the purpose of manipulating the binder twine business, with the full knowledge and consent of the Government, as shown by the sworn testimony of one of the officials in Mr. Mills' own department and by one of the parties interested in the combine.

## HOW THE COMBINE GOT IT.

The representatives of the combine, namely, the Hobbs Hardware Co. and Coll Bros. proceeded at once to Toronto to make a raid on one and a half million pounds of the people's binder twine at the Central prison, which they secured with little difficulty at a very low price. Then, returning to Ottawa, Coll Bros. withdrew their blind tender and the twine was handed over to

the Hobbs Hardware Co. at an average price of \$4.64 per hundred pounds, notwithstanding the fact that the Government had then in their possession offers from reliable persons outside of the combine who were willing to negotiate for a part or the whole of the twine. The combine was then made complete, and the manipulators had in their possession three and a half million pounds of binder twine that belonged to the people, which they secured at less than an average price of 4½c per lb. and for which the farmers had the consolation of paying from 11c to 13c a pound.

Coming now to the year 1898, the output of binder twine at the Kingston Penitentiary was the same as in 1897, namely, one million pounds, which was produced at an average cost of \$4.72 per hundred pounds including raw material and manufacture. This time another patriot and political friend was patiently awaiting to give the crank another turn and a somewhat different plan had to be adopted to conceal from the public the real nature of the job. Mr. H. N. Bate, of H. N. Bate & Sons, grocers of the City of Ottawa, and a well-known contributor to the Liberal Campaign funds, had to be rewarded, and this time at the expense of the farmers. As shown by the correspondence, Mr. Bate of course called upon Mr. Mills to talk over binder twine matters, and as might be expected, a few days later, Mr. Mills informed H. N. Bate & Sons that he was prepared to receive their confidential offer for the binder twine at the Kingston Penitentiary. Bate & Sons at once put in their confidential offer for the twine, the average price offered being \$4.60 per hundred pounds, or 12½c per hundred pounds less than the twine cost. But even this generous offer to take one million pounds of binder twine at less than cost and without competition might not look well, and some plan had to be adopted to make it perfectly certain that Bate & Sons would get the twine and at the same time give the appearance that they had competed for it. It would not do therefore to send out a public advertisement inviting tenders, because Bate & Sons' chances might be greatly endangered. But a circular was sent out inviting tenders to a few trusted friends who were not likely to disturb Bate & Sons' peace of mind. The following is a full list of that select and chosen few.

#### THE CHOSEN FEW.

Wood, Vallance & Co., hardware merchants of which A. T. Wood the Liberal M.P. for Hamilton is the head.

The Hobbs Hardware Co., of which T. A. Hobbs, the Liberal M.P.P. for London is the head, one of the manipulators of the combine in 1897.

J. H. Ashdown & Co., hardware merchants of Winnipeg, of which J. H. Ashdown, who was the Liberal candidate in Marquette at the last election is the head.

The Farmers' Binder Twine & Agricultural Manufacturing Co., who do not want to purchase twine but make twine to sell, and who were not ashamed to boast in a public circular sent out that in this very year 1898 they made 100 p.c. out of the farmers on their own twine.

Coll Bros., soap manufacturers of St. John, N.B., and members of the combine with the Hobbs Hardware Co. in 1897.

John Hallam of Toronto, dealer in wool, hides and leather, and a very ardent and active supporter of the Laurier Government.

H. Mowers, grain dealer of the City of Kingston, a prominent and active Liberal, who is said to have been entrusted by his leaders with the use of the most scientific methods for carrying elections.

Rice, Lewis & Co., hardware merchants of Toronto, a firm whose more active members are known to be ardent Liberals.

Charles Braithwaite of Portage la Prairie, Man., an active Liberal and Noxious Weed inspector under the Greenway Government.

James Elder, of Verden, Manitoba, a farmer and a supporter of the Laurier Government who might require 200 or 300 lbs. of binder twine for his own use.

Dalton & Strange, hardware merchants of Kingston, members of the Liberal-Conservative Party, who could do nothing but despair of the slightest hope of success in a contest with such eminent gentlemen as had been selected in this case, and who have no recollection of having seen such a circular.

And last but certainly not the least to complete the chosen dozen, the modest H. N. Bate & Sons whose confidential offer was already in the hands of Mr. Mills. It was not intended that any tenders should be put in and of course there were none, and this miserable farce was now closed. H. N. Bate & Sons got a million pounds of binder twine that belonged to the people, without tender, without competition, and at their own price, namely, \$4.60 per hundred pounds. For

this the farmers had to pay from \$12.00 to \$14.00 per hundred pounds and content themselves with being thankful for such blessings at the hands of a clean and honest Government.

#### A FRESH START IN THE GAME.

Taking up the year 1899, the output of binder twine at the Kingston Penitentiary was the same as in former years, namely, one million pounds which cost an average of \$6.25 per hundred pounds including raw material and manufacture. The history of the binder twine business for this year is somewhat shorter and simpler than the two preceding years for the obvious reason that the manipulators of the combine namely, Coll Bros., The Hobbs Hardware Co., and H. N. Bate & Sons, had each had their turn at fleecing the farmers, and of course there must now be a fresh start in the game. This time public notice was given and tenders invited. Three tenders were put in, but strange to say all by the members of the old combine. It would seem, however, that things were not so harmonious this time as they had been in the past, there being a disposition to crowd Coll Bros. out, which caused a little family jar, from which the public purse did not suffer, as will be seen by the following tenders.

H. N. Bate & Sons an average price of \$5.06 per hundred lbs.

Hobbs Hardware Co. first tender, an average price of \$6.00 per hundred lbs.

Coll Bros., an average price of \$6.47 per hundred lbs.

Hobbs Hardware Co. second tender, an average price of \$6.51 per hundred lbs.

It will be seen at a glance that Bate & Sons' tender was a mere blind, the twine having cost \$6.25 per hundred lbs. and their tender being only \$5.06 per hundred pounds. The Hobbs Hardware Co.'s first tender as will be seen was also below the cost of the twine, and Coll Bros. who were to be

put aside this time, put in the only tender above the cost of the twine, namely, \$6.47 per hundred pounds. It is quite evident that the Hobbs Hardware Co. had the pull this time, but they had been outbid by the dissatisfied Coll Bros. by 47c per hundred lbs. amounting on the whole transaction to \$4,700.

#### A QUEER TRANSACTION.

Now, the interesting part of the transaction comes in. How did the Hobbs Hardware Co. find this out? But there can be no doubt that they did find it out and at the last minute put in their second tender in the name of another party as has been disclosed by the correspondence. They advanced their offer over Coll Bros. by the mere shadow of 4c per 100 lbs. making an advance on the whole transaction of the beggarly sum of \$400, as against Coll Bros.' advance of \$4,700. The Hobbs Hardware Co., as was intended, of course got the twine at their second offer at an average of \$6.51 per hundred pounds. This whole transaction has jobbery so plainly stamped on its face that comment is unnecessary. But one thing is quite certain, namely, that the farmers had to pay from 14c to 15c per pound and in some cases even higher for this same twine, and perhaps should be grateful for having escaped so well.

This is shortly and plainly the story of the binder twine deal commencing in 1896, a few months after the Laurier Government took office, and ending with the fiscal year 1899. As for this present year 1900 there has been perhaps considerable advance in the cost of the raw material used for making twine, which of necessity would cause a corresponding advance in the price of binder twine. But of that nothing can be said as nothing is definitely known either as to the cost of the raw material or the price at which the binder twine has been sold to jobbers, the Government having sternly refused to give any information, alleging that such information might injure the

parties to whom the twine had been sold. As to the accuracy of the transactions as stated during the preceding four years, there can be no possible room for doubt as the whole thing is based on the original invoices showing the cost of the raw material and the records of the Department showing the cost of manufacture and the sales.

The appended table will show at a glance how

the twine for which the farmer paid high prices was sold by the Government to favourites at about cost:

	Cost of raw material per 100 lbs.	Cost of Twine per 100 lbs.	Price at which Twine was sold.	To whom sold.
1896	\$3.66	\$4.66	\$4.25	Call Bros.
1897	3.43	4.43	4.64	Hobbs Hardware Co.
1898	3.72	4.72	4.60	H. N. Bate & Sons
1899	5.25	6.25	6.51	Hobbs Hardware Co.